

**TESTIMONY SUBMITTED TO FINANCE REVENUE AND BONDING
COMMITTEE**

March 16, 2012

*Antonio Roberto, Executive Director
Connecticut Development Authority*

**House Bill No. 5500 AN ACT CONCERNING AN EXPANSION OF TAX
INCREMENTAL FINANCING AND AN ADJUSTMENT TO CERTAIN DATES
RELATING TO THE FINANCING OF STEEL POINT IN BRIDGEPORT.**

The Connecticut Development Authority (CDA) respectfully offers the following comments in **opposition** of HB 5500, AN ACT CONCERNING AN EXPANSION OF TAX INCREMENTAL FINANCING AND AN ADJUSTMENT TO CERTAIN DATES RELATING TO THE FINANCING OF STEEL POINT IN BRIDGEPORT.

While the intent of the legislation appears to be a financing mechanism to support worthy projects, it also presents obstacles and in some cases complicates programs.

The language shifts to the State the debt burden associated with property tax incremental financing being proposed by municipalities -- it would finance local projects with state revenue streams.

This bill is likely to drive up the amount of state financial assistance required for a project which would decrease the added state retained revenue as a result of the bill. Currently any project requiring assistance of more than \$10 million under this program requires a special act of the legislature.

As a result, we respectfully **oppose** the proposed changes.